

State of Alaska FY2003 Governor's Operating Budget

Department of Administration Satellite Infrastructure Component Budget Summary

Component: Satellite Infrastructure

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Component Mission

To ensure infrastructure for the dissemination of information and program services statewide.

Component Services Provided

Satellite communication transport provides for the delivery of the following services:

- Alaska One - Statewide public television originating at KUAC Fairbanks, distributed by satellite and broadcast throughout the state, reducing overhead and duplication of effort.
- Alaska Two - Gavel to Gavel coverage of the Legislature and other government activities originating from KTOO Juneau, distributed by satellite, accessible to 80% of Alaskans (no direct state support).
- Alaska Three - Distance education from the University of Alaska and the Distance Delivery Consortium, distributed by satellite and reaching 100 communities and rural campuses (no direct state support).
- The Alaska Rural Communications Service (ARCS) reaching some 220 communities across Alaska with educational, news and information, and commercial television programming.
- Delivery of the State and Federal Emergency Alert Service, data and transmitter control circuits, and delivery of public radio programming to individual local stations.

The Satellite Interconnection Project (SIP) Technical Monitoring effort, managed by the Alaska Public Broadcasting Joint Venture, provides one-stop service and management for trouble shooting problems at the statewide system and community levels.

Component Goals and Strategies

ENSURE THAT ALASKANS IN ALL PARTS OF THE STATE ARE BETTER INFORMED IN THEIR SOCIAL AND ECONOMIC DEVELOPMENT, MORE RAPIDLY AND THOROUGHLY INFORMED OF EMERGENCY ALERTS, AND BETTER EDUCATED AT LESS COST TO THEM AND TO THE EDUCATIONAL INSTITUTIONS THAT DEVELOP THE COURSEWARE

- Aggressively explore public/private partnerships among telecommunications providers, broadcasters, educators and agencies to enhance quality, broaden choice, improve cost-efficiencies and support the continued essential services provided by satellite infrastructure.
- Coordinate the use of the satellite among the integrated users to realize cost efficiencies.
- Foster interagency cooperation among the University of Alaska, K-12, public broadcasting, producers and State agencies in the production and distribution of programming.

Key Component Issues for FY2002 – 2003

- Through the State's Telecommunications Partnering Plan, the State is hoping to identify alternatives and/or gain cost efficiencies for this component. An award is expected to be made in during the fourth calendar quarter of 2001. Changes in service delivery for the programming provided by this component may be necessary during FY2002.
- There are no funds for maintenance and repair for the 220 earth stations and transmitters owned and operated by the state because maintenance is paid for by village users.
- Under the new tariff, the state will provide over 80 per cent of the funding needed for the lease and operation of the satellite. The balance comes from users, who are developing ways to attract additional users to bring costs down.
- The satellite has played an important role in being the only means by which all of Alaska is connected.

Major Component Accomplishments in 2001

- Users of satellite infrastructure have formed a management partnership with Public Broadcasting service providers: Alaska Public Radio and Television and Alaska Rural Communications service funded by Federal Corporation for Public

Broadcasting funds to better coordinate and form economic partnerships to lower the cost to the state for satellite services.

- The Alaska Public Broadcasting Joint Venture developed and implemented a plan that could save the State approximately \$850,000 annually in satellite fees. The Joint Venture developed a technical plan to reduce the required bandwidth for the satellite delivery of the four television services, which reduced costs.

- In March of 2001, a newer generation replacement satellite was put online, which raised the tariff. The Joint Venture developed a plan for the migration of all services to a 'needed bandwidth only', or 'fractional use', satellite capacity and implemented the plan at end of September 2001. The Joint Venture managed the substantial coordination effort to move all of the satellite users to the 'fractional use' design. All of the elements of the plan were successfully migrated by September 30, 2001 with virtually no interruption of service to our Alaskan consumers.

- The digital system continues to carry Alaska One, statewide public television; Alaska Two, Gavel to Gavel coverage of the Legislature; Alaska Three, distance education from the University of Alaska and the Distance Delivery Consortium; the Alaska Rural Communications Service to 248 villages and communities across Alaska; emergency alert capability, and public radio.

Statutory and Regulatory Authority

AS 44.21.305-330 Telecommunications

Satellite Infrastructure

Component Financial Summary

All dollars in thousands

	FY2001 Actuals	FY2002 Authorized	FY2003 Governor
Non-Formula Program:			
Component Expenditures:			
71000 Personal Services	0.0	0.0	0.0
72000 Travel	0.0	0.0	0.0
73000 Contractual	933.1	2,496.5	2,337.1
74000 Supplies	0.0	0.0	0.0
75000 Equipment	5.5	0.0	0.0
76000 Land/Buildings	0.0	0.0	0.0
77000 Grants, Claims	109.5	109.5	268.9
78000 Miscellaneous	0.0	0.0	0.0
Expenditure Totals	1,048.1	2,606.0	2,606.0
Funding Sources:			
1004 General Fund Receipts	632.1	1,382.3	1,382.3
1007 Inter-Agency Receipts	107.5	100.0	100.0
1108 Statutory Designated Program Receipts	308.5	1,123.7	1,123.7
Funding Totals	1,048.1	2,606.0	2,606.0

Estimated Revenue Collections

Description	Master Revenue Account	FY2001 Actuals	FY2002 Authorized	FY2002 Cash Estimate	FY2003 Governor	FY2004 Forecast
Unrestricted Revenues						
None.		0.0	0.0	0.0	0.0	0.0
Unrestricted Total		0.0	0.0	0.0	0.0	0.0
Restricted Revenues						
Interagency Receipts	51015	107.5	100.0	113.0	100.0	113.0
Statutory Designated Program Receipts	51063	308.5	1,123.7	450.2	1,123.7	1,110.7
Restricted Total		416.0	1,223.7	563.2	1,223.7	1,223.7
Total Estimated Revenues		416.0	1,223.7	563.2	1,223.7	1,223.7

Satellite Infrastructure

Proposed Changes in Levels of Service for FY2003

The Alaska Satellite Interconnection Project Management Group expects to attract additional users, work diligently to maintain cost effective services for all users in light of proposed increases in common carrier tariffs, and improve the breadth of service offerings from state agencies and educational institutions, including the University of Alaska.

Summary of Component Budget Changes

From FY2002 Authorized to FY2003 Governor

All dollars in thousands

	<u>General Funds</u>	<u>Federal Funds</u>	<u>Other Funds</u>	<u>Total Funds</u>
FY2002 Authorized	1,382.3	0.0	1,223.7	2,606.0
FY2003 Governor	1,382.3	0.0	1,223.7	2,606.0